

RECM GLOBAL FUND (Class B)

Period ended 30 June 2014

RECM

The RECM Global Fund is a US dollar denominated global fund that may invest in a wide array of assets without any restrictions. The Fund's aim is to generate returns significantly greater than US inflation and commensurate with equities over the long term. The Fund invests mainly in large global companies at a significant discount to intrinsic value, while using the flexibility of the mandate to protect capital and enhance returns by investing in other mispriced global assets from time to time. We consider risk as the possibility of losing money, not in terms of volatility. Our main risk management tool is our investment philosophy. As value investors, we aim to buy and hold good quality companies and do so with a margin of safety. Our ability to move between asset classes assists in reducing the risk in the fund. The Offering Memorandum is available at www.recm.co.za.

Portfolio Managers	Daniel Malan, Wilhelm Hertzog, Paul Whitburn
Fund Currency	US dollars
Inception Date	14 December 2010
Total Fund Size	US \$563.0 million
Fund Size (Class B)	US \$83.2 million
Benchmark*	US CPI + 6% p.a.
Min. Investment	US \$50,000 initial investment
Initial Fee	No initial fee
Annual Fee	1.5% annual fee

Hurdle	US CPI + 8% p.a.
Performance Fee	20% above hurdle subject to high watermark over rolling 5 years
Pricing Frequency	Daily
Total Expense Ratio	1.57%
Income Declarations	None
Domicile	Guernsey
ISIN Code	GB00B64VG915
SEDOL Code	B64VG91

PORTFOLIO DETAIL

*The Fund's benchmark is US CPI + 6% p.a. Prior to 1 January 2014, the Fund's benchmark was the MSCI World Index TR

FUND RISK PROFILE

LOW	LOW-MODERATE	MODERATE	MODERATE-HIGH	HIGH
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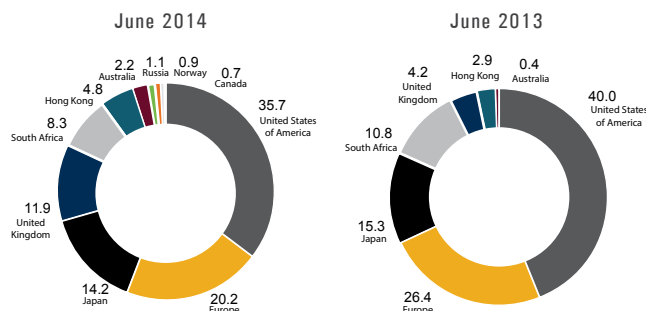
TOP TEN HOLDINGS (%)

June 2014		June 2013	
BP Plc	4.9	Ichirizuka Master Fund	5.6
Ultra Petroleum Corp	4.6	Microsoft Corp	5.4
Anglo American Platinum Ltd	4.5	Carrefour SA	4.7
Arcelormittal	4.4	Intel Corp	4.4
Ichirizuka Master Fund	4.3	Anglo American Platinum Ltd	4.2
Inpex Corp	3.7	Ultra Petroleum Corp	4.0
Anglo American Plc	3.0	Arcelormittal	3.7
Intel Corp	2.8	BP Plc	3.4
Impala Platinum Holdings Ltd	2.8	Wellpoint	3.3
NTT Docomo Inc	2.7	NTT Docomo Inc	3.0
Total	37.7	Total	41.7

ASSET ALLOCATION (%)

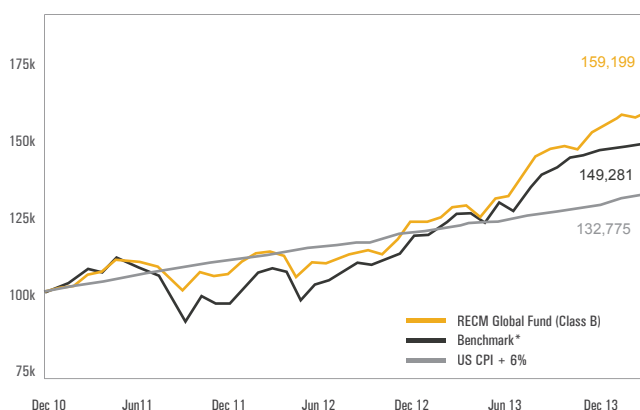
June 2014		June 2013	
Equity	73.8	Equity	84.5
Cash	25.5	Cash	14.0
Property	0.7	Property	1.5
Total	100.0	Total	100.0

GEOGRAPHICAL ALLOCATION (%)



PERFORMANCE NET OF ALL FEES AND EXPENSES

VALUE OF US \$100,000 INVESTED AT INCEPTION WITH ALL DISTRIBUTIONS REINVESTED



ANNUALISED RETURNS TO END JUNE 2014

	Fund	Benchmark*	US CPI + 6%
1 Year	27.3%	21.8%	8.0%
3 Years	13.2%	11.6%	7.8%
Since Inception	14.0%	12.0%	8.2%
Maximum Drawdown (Life of Fund)	-10.4%	-19.4%	0.0%

• Returns are in USD net of fees with distributions reinvested. Source: RECM Analyst, Bloomberg.

INVESTMENT COMMENT

During the past 12 months RECM's portfolio managers have sold stocks where prices had increased significantly, but replaced them with ones where prices had apparently also increased, albeit less so. Fund turnover levels for the top 10 transactions were around 20%, which is low, but a little higher than we prefer. Our higher fund turnover level was largely due to rapid price advances ahead of business fundamentals in global equity markets, and businesses that we own no longer offering sufficient margins of safety on an absolute basis. Six of the top ten allocations of fund capital were to brand new investment ideas. We were net sellers of equity over this past year and the funds' exposure to equity has reduced somewhat. Over the past year our sectoral positioning shifted further in favour of deeply undervalued and unpopular cyclicals, including resources.

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Disclaimer: Collective Investment Schemes in Securities are generally medium to long term investments. The value of participatory interests may go down as well as up and past performance is not necessarily a guide to the future. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Collective investments are traded at ruling prices. The manager may borrow up to 10% of the net asset value of the portfolio where insufficient liquidity exists. A schedule of fees and charges and maximum commissions is available from the company/ scheme. Commission and incentives may be paid and if so, would be included in the overall costs. The quantifiable deduction is the annual management fee (and performance fee), whilst non-quantifiable fees included in the net asset value price may comprise brokerage, auditor's fees, bank charges, UST, trustee and custodian fees. Collective investment prices are calculated on a net asset value basis, which is the total value of all assets in the portfolio including any income accrual and less any permissible deductions from the portfolio. Forward pricing is used. Fund valuations take place at 23h00 Guernsey time on the business day immediately preceding each dealing day. Withdrawal requests and contributions must be received by the Administrators by 15h30 Guernsey time on the business day preceding each dealing day. The Management Company is RECM Global Management Limited. The Custodian is Royal Bank of Canada (Channel Islands) Limited and the Administrators are Kleinwort Benson (Channel Islands) Fund Services Limited. This fact sheet should be read in conjunction with the "Schedule of Similarities and Differences" available on the website. RECM Collective Investments (Pty) Ltd is a member of the Association for Savings and Investment SA (ASISA).

A MEMBER OF THE ASSOCIATION FOR SAVINGS & INVESTMENT SA